

AMERIHEALTH HMO, INC.
(hereafter called "AmeriHealth" or "the HMO")

EVIDENCE OF COVERAGE RIDER

This Rider modifies the Evidence of Coverage (Member Handbook) for certain changes to your Covered Services. The changes include: Item "I", pursuant to P.L. 2007, c. 194, to honor an assignment of benefits for ambulance service payments under certain circumstances; and Item "II", pursuant to P.L. 2007, c. 345, to provide benefits for expenses incurred in obtaining an Orthotic Appliance or Prosthetic Appliance from any Licensed Prosthetist, Licensed Orthotist or any Certified Pedorthist.

The Effective Date is the later of:

- (a) the Effective Date for that Covered Service, as shown below;
- (b) your Effective Date of Coverage; or
- (c) The Group Master Contract's anniversary date coinciding with or next following the Effective Date for that Covered Service.

I. Effective January 24, 2008, the following changes are being made to the Member Handbook.

A. The following paragraph is replaced in the **WELCOME** section:

Any rights of a Member to receive benefits under the Contract and this Member Handbook are personal to the Member and may not be assigned in whole or in part to any person, Provider or entity (except as required by law for emergency ambulance services), nor may benefits of the Contract be transferred, either before or after Covered Services are rendered. However, a Member can assign benefit payments to the custodial parent of a Dependent covered under the Contract and this Member Handbook, as required by law.

B. The **PROMPT PAYMENT OF CLAIMS** subsection of the **WHEN YOU NEED IMMEDIATE CARE** section is replaced as follows:

PROMPT PAYMENT OF CLAIMS

Claims submitted to the HMO as described above will be subject to the following actions by the HMO.

- 1. The claim will be paid within thirty (30) days of receipt by the HMO, if submitted electronically and forty (40) days if by paper, unless the HMO contests all or a portion of the claim.

2. If the HMO contests the claim or a portion of the claim, the HMO will notify the Member or the Provider that the claim is denied or contested. Such notification will be in writing or by electronic means, as appropriate, and sent within thirty (30) days after receipt of the claim. The notification will explain what the HMO is contesting and the reasons the claim is contested. The uncontested portion of a claim is paid within the time limits set forth in item 1. above.
3. The HMO will pay or deny all or a portion of a contested claim within the time limits set forth in item 1 following the HMO's receipt of the additional information requested from the Member or the Provider as appropriate.
4. Payment by the HMO will be considered to be made on the date the instrument representing payment was placed in the United States mail in a properly addressed, postpaid envelope or, if not so posted, on the date of delivery.
5. The HMO will include with any overdue payment simple interest at the rate of twelve percent (12%) per year.

II. Effective April 11, 2008, the following changes are being made to the Member Handbook.

The following descriptions of **OUTPATIENT SERVICES** in the **SUMMARY OF BENEFITS** section of the Member Handbook are changed as follows:

A. The **Prosthetic and Orthotic Appliances** description is added as follows:

Prosthetic and Orthotic Appliances

Benefits are provided for Orthotic and Prosthetic Appliances as mandated by New Jersey law. This benefit provides for expenses incurred in obtaining an Orthotic or Prosthetic Appliance from any Licensed Orthotist, Licensed Prosthetist or any Certified Pedorthist in the HMO network, as determined to be Medically Necessary by the Member's physician.

B. The following description of **Orthotics** is replaced by the following:

Orthotics Devices

Benefits are provided for:

A. The initial purchase and fitting (per medical episode) of Orthotic Devices; and

- B. The replacement of orthotics for Dependent children when required due to natural growth.

The benefit does not apply to Prosthetic Appliances or Orthotic Appliances as mandated by New Jersey law.

- C. The description of **Home Health Care Charges in Lieu of Hospitalization** is replaced by the following:

Home Health Care Charges in Lieu of Hospitalization

When home health care can take the place of Inpatient Care, the HMO covers such care furnished to a Member under a written home health care plan. A Referral from a Member's Physician is not required.

The HMO covers all Medically Necessary services or supplies, such as:

1. Nursing Care (furnished by or under the supervision of a Registered Nurse);
2. Physical Therapy;
3. Occupational Therapy;
4. Medical social work;
5. Nutrition services;
6. Speech Therapy;
7. Home health aide services;
8. Medical appliances and equipment, drugs and medications, laboratory services and special meals; and
9. Any diagnostic or therapeutic service, including surgical services performed in a Hospital Outpatient department, a Physician's office or any other licensed health care facility, provided such service would have been covered under this plan if performed as Inpatient Hospital services. But, payment is subject to all of the terms of this plan and to the following conditions:
 - a. The Member's Physician must certify that home health care is needed in place of Inpatient Care in a recognized facility.
 - b. The services and supplies must be:
 - (1) Ordered by the Member's Physician;
 - (2) Included in the home health care plan; and
 - (3) Furnished by, or coordinated by, a home health care agency according to the written home health care plan.The services and supplies must be furnished by recognized health care professionals on a part-time or intermittent basis, except when full-time or twenty-four (24) hour service is needed on a short-term basis.
 - c. The home health care plan must be set up in writing by the Member's Physician within fourteen (14) days after home health care starts. And it must be reviewed by the Member's Physician at least once every sixty (60) days.

- d. Each visit by a home health aide, nurse, or other recognized Provider whose services are authorized under the home health care plan can last up to four (4) hours.
- e. The HMO does not pay for:
 - (1) Services furnished to family members, other than the Member; or
 - (2) Services and supplies not included in the home health care plan.

III. The following changes have been made to the **EXCLUSIONS – WHAT IS NOT COVERED** section:

- A. The exclusion related to the repair and replacement of external Prosthetic Devices is replaced with the following:

The repair or replacement of external Prosthetic Devices, except as described in this Member Handbook.

This exclusion does not apply to Prosthetic Appliances or Orthotic Appliances as mandated by New Jersey law;

- B. The exclusion related to services for repair and replacement of Prosthetic Devices due to abuse or misplacement is replaced with the following:

Services for repairs or replacements of Prosthetic Devices needed because the prosthesis was abused or misplaced.

This exclusion does not apply to Prosthetic Appliances or Orthotic Appliances as mandated by New Jersey law;

- C. The exclusion related to home health care services and supplies is replaced with the following:

For home health care services and supplies in connection with the following:

- A. Custodial services, food, housing, homemaker services, Home delivered meals and supplementary dietary assistance;
- B. Rental or purchase of Durable Medical Equipment;
- C. Provided by family members, relatives, and friends;
- D. Patient's transportation, including services provided by voluntary ambulance associations for which the patient is not obligated to pay;
- E. Emergency or non-emergency Ambulance services;
- F. Home health care charges that may be incurred by a Member who is receiving home health care when a hospitalization is not required; and
- G. Visits by any Provider solely for the purpose of assessing a Member's condition and determining whether the Member requires and qualifies for home health care services by the Provider.

D. The following **EXCLUSIONS** are added:

1. Prosthetic Appliances including dental appliances and largely cosmetic devices such as artificial breasts, eyelashes, wigs, or other devices which could not by their use have a significantly detrimental impact upon the musculoskeletal functions of the body.

This exclusion does not apply to Prosthetic Appliances as mandated by New Jersey law;

2. Orthotics that are not Orthotic Appliances or Orthotic Devices;

IV. The **DEFINITIONS** section is changed as follows:

A. The following **DEFINITIONS** are added:

CERTIFIED PEDORTHIST - means a person certified by the American Board for Certification in Pedorthics, or its successor, in the design, manufacture, fit and modification of shoes and related foot appliances from the ankle and below as prescribed by a licensed doctor of medicine or podiatric medicine for the amelioration of painful or disabling conditions of the foot.

LICENSED ORTHOTIST - means any person who practices orthotics and who represents himself to the public by title or by description of services, under any title incorporating such terms as “orthotics,” “orthotists,” “orthotic,” or “L.O.,” or any similar title or description of services, provided that the individual has met the eligibility requirements and been duly licensed under the provisions of the Orthotist & Prosthetist Licensing Act.

LICENSED PROSTHETIST - means a person who practices prosthetics and who represents himself to the public by title or by description of services, under any title incorporating such terms as “prosthetics,” “prosthetist,” “prosthetic,” or “L.P.,” or any similar title or description of services, provided that the individual has met the eligibility requirements and been duly licensed pursuant to the provisions of the Orthotist & Prosthetist Licensing Act.

ORTHOTIC APPLIANCE - means a brace or support but does not include fabric and elastic supports, corsets, arch supports, trusses, elastic hose, canes, crutches, cervical collars, dental appliances or other similar devices carried in stock and sold by drug stores, department stores, corset shops or surgical supply facilities. An Orthotic Appliance is not an Orthotic Device.

ORTHOTIC DEVICES – means the following orthotics. An Orthotic Device is not an Orthotic Appliance.

- A. Elastic Knee Braces;
- B. Prefabricated orthotics;
- C. Cervical collars;

- D. Arch supports where required for the prevention or treatment of complications associated with diabetes;
- E. Over the counter corsets;
- F. Elastic hose;
- G. Thoracic Rib Belts;
- H. Fabric and elastic supports such as socks;
- I. Dental orthotics; and
- J. Other similar devices

PROSTHETIC APPLIANCE - means any artificial device that is not surgically implanted and that is used to replace a missing limb, appendage, or any other external human body part including devices such as artificial limbs, hands, fingers, feet and toes, but excluding .dental appliances and largely cosmetic devices such as artificial breasts, eyelashes, wigs, or other devices which could not by their use have a significantly detrimental impact upon the musculoskeletal functions of the body. A Prosthetic Appliance is not a Prosthetic Device.

B. The following definitions are replaced:

ANCILLARY SERVICE PROVIDER - an individual (such as, but not limited to, a Licensed Prosthetist, Licensed Orthotist or Certified Pedorthist), or entity that provides services, supplies or equipment (such as, but not limited to, Infusion Therapy services, Durable Medical Equipment and Ambulance services), for which benefits are provided under this Member Handbook.

PROSTHETIC DEVICES – devices (except dental Prosthetic Devices), which replace all or part of: (1) an absent body organ including contiguous tissue; or (2) the function of a permanently inoperative or malfunctioning body organ. A Prosthetic Device is not a Prosthetic Appliance.

V. The **SCHEDULE OF COPAYMENTS, COINSURANCE & LIMITATIONS** is changed as follows:

The following services are added:

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|------------------------------|--------------------------|
| PROSTHETIC APPLIANCES | Same as PCP office visit |
| ORTHOTIC APPLIANCES | Same as PCP office visit |

VI. The **SERVICES AND SUPPLIES REQUIRING PREAPPROVAL OR PRENOTIFICATION RIDER** is replaced by the attached.

The Evidence of Coverage is changed only as stated in this Rider. All provisions of the Evidence of Coverage not changed by this Rider still apply.

AMERIHEALTH HMO, INC.